

Factors Influencing Company Valuation in the Indonesian Cement Sector

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Received : Desember 30, 2024

Accepted : January 17, 2025

Published : January 30, 2025

Citation: Wangi, R. M., Putra, O. E., & Kusumawardhani, A. P. (2025). Factors Influencing Company Valuation in the Indonesian Cement Sector. *Moneta : Journal of Economics and Finance*. 3(1). 37-50. <https://doi.org/10.61978/moneta.v3i1>

ABSTRACT: Investigation elucidates the characterization and impact of IC, effective corporate governance, and environmental performance on corporate valuation within the cement industry. Empirical evidence reveals a deterioration in corporate valuation within the cement industry during the period spanning 2019 to 2023. Among the novel contributions distinguishing this research from antecedent studies is its targeted examination of companies within the cement industry, a focus that remains underexplored in existing literature. The methodology adopted is quantitative, utilizing both descriptive and verification approaches. The research population comprises all cement industry during the 2019-2023 period. Sample selection was executed through purposive sampling based on specified criteria, resulting in the acquisition of 25 financial reports from five distinct companies. The findings of this study indicate that IC, GCG, and Environmental Performance collectively exert an influence on Firm Value within cement industry companies on the IDX throughout the 2019-2023 timeframe. These findings suggest that enterprises exhibiting robust IC, adhering to sound corporate governance practices, and demonstrating commendable environmental performance are predisposed to achieving elevated firm value. Additionally, this research reveals that IC has the most pronounced effect on firm value, succeeded by Environmental Performance, whereas GCG appears to have an insubstantial impact. It is imperative for cement industry companies in Indonesia to adopt a comprehensive strategy aimed at enhancing firm value.

Keywords: Intellectual Capital (IC), Good Corporate Governance (GCG), Environmental Performance, Firm Value.



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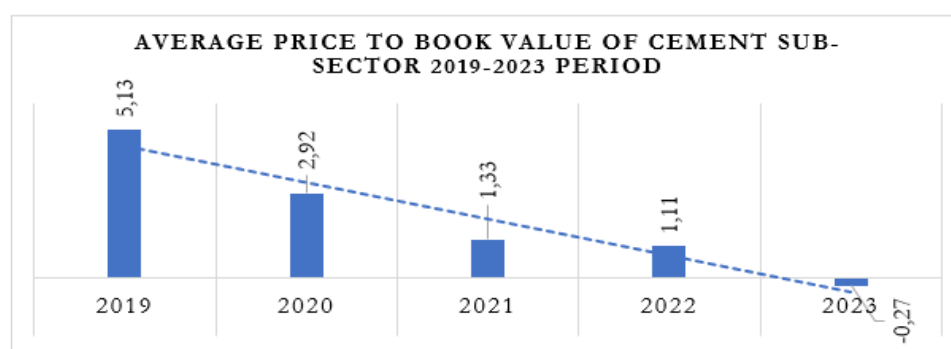
INTRODUCTION

The cement sector plays a crucial role in the Indonesian economy, especially as the mainstay of infrastructure and construction development. With a production capacity of 120 million tons per year, Indonesia is the largest cement producer in Southeast Asia. In 2023, national cement demand will reach 66.8 million tons, with exports of 1.4 million tons of cement and 9.7 million tons of clinker. However, the utilization rate of the cement industry is only around 58%, indicating excess production capacity. Nevertheless, this industry continues to make a significant contribution to national economic growth, as seen in the increase in Gross Regional Domestic Product (GRDP) in various regions. In addition, the cement industry also absorbs a large number of local workers and has a positive impact on other sectors, such as mining. Therefore, optimal management of

production capacity and implementation of sustainability strategies are very important to maximize the contribution of the cement sector to the Indonesian economy.

Firm value is essential to determine whether the company shares are worth buying or not by investors (Kusumawardhani, 2021). Investors are also more interested in investing their shares in companies that have good performance. Price to Book Value is used as a proxy to calculate the value of the company and is an important measure in investor decision making. Price to Book Value can also determine whether the stock price offered by the company is expensive or cheap. So, the higher the Price to Book Value, it can be interpreted that the company is more successful in creating value for shareholders, which means that the market believes in the company prospects, and vice versa. Every company has a goal, one of the company's long-term goals is to optimize firm value (Aprianti et al., 2024). The following is a description of the Price to Book Value (PBV) of the Cement Sub-Sector:

Graph 1. Average Price to Book Value of Cement Sub-Sector 2019-2023 Period



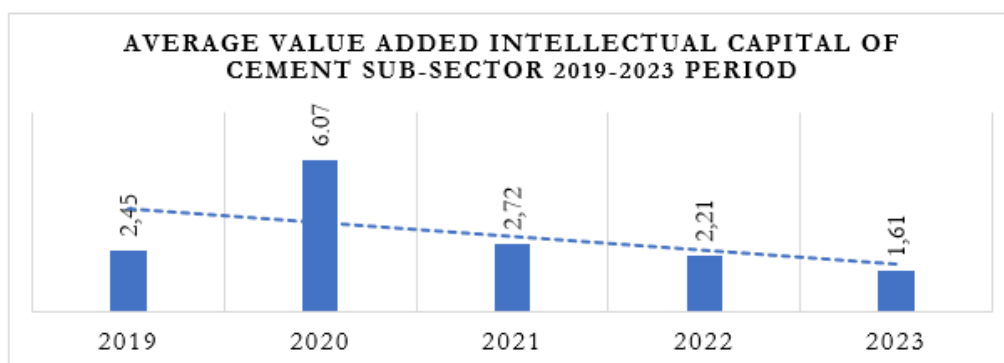
Source: Annual Report of Cement Sub Sector 2019-2023 (Processed Data)

The cement sub-sector is one of the sub-sectors that has experienced a year-to-date decline. According to the Indonesia Stock Exchange (2021), the phenomenon that caused the decline was the Covid pandemic which resulted in a decline in the Composite Stock Price Index (IHSG) in 2020. According to (Ayu et al., 2023; I. G. S. Putra et al., 2019; Rukmana, 2019) the Composite Stock Price Index should have increased because the IHSG profits could increase, portfolio investments that will be made by investors (Anindita et al., 2024). At the same time, post-production inventories continued to decline due to slowing demand and weak production growth. According to research by Adyaksana et al., (2024); Mawaddah et al., (2022); Muasiri & Sulistyowati, (2021) and Mawaddah, Junaidi, & Wahyudi (2022) Firm Value can be influenced by Intellectual Capital, Good Corporate Governance, Environmental Performance, Financial Performance, Green Accounting, Carbon Emission Disclosure, and Environmental Performance.

This study uses the variables Intellectual Capital, Good Corporate Governance, and Environmental Performance, the use of these variables is because there are differences with the theory, thus giving rise to problematic phenomena. Intellectual capital is a knowledge and power of thought owned by a company that cannot be seen by the eye but can be measured. Intellectual capital is useful as a key factor that can improve human resources, company capabilities, create economic success, good company value, and also good financial performance so that they can

maintain their competitive position (Chandra, 2021). One of the indicators for assessing Intellectual Capital is Value Added. Value Added is one part of a marketing strategy. The following is a description of the Value Added Intellectual Capital (VAIC™) value in the Cement Sub-Sector:

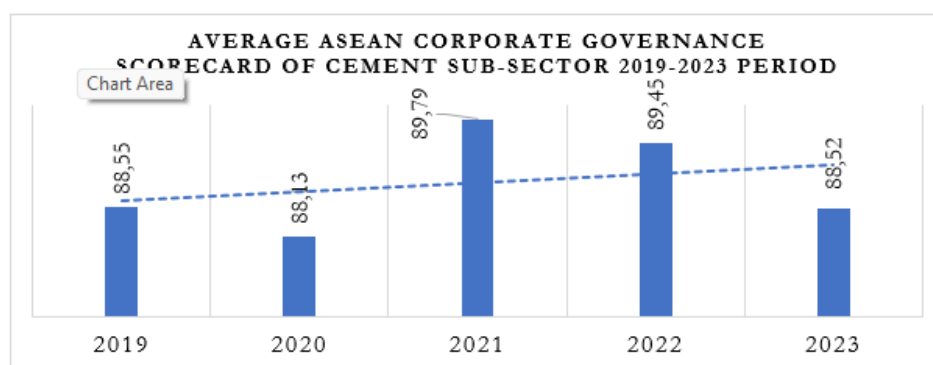
Graph 2. Average Value Added Intellectual Capital in Cement Sub-Sector 2019-2023 Period



Source: Annual Report of Cement Sub Sector 2019-2023 (Processed Data)

The average Value Added Intellectual Capital (VAIC™) value of the Cement Sub-Sector has decreased year-to-date. This condition can be influenced by several factors, one of which is the company's performance which has declined over time. The decline in question is a decrease in revenue, profit, and efficiency, as well as external factors such as changes in regulations, technology, and industry competition. Previous research conducted by (Ardiantini et al., 2020), Shulthoni & Rizkya (2023), and Lukman & Kurniawan (2020) showed that intellectual capital has a significant effect on Firm Value, in contrast to research conducted by Nurhidayati & Bone, (2022), and Utami, (2020) which found that Intellectual Capital has no effect on Firm Value. Good Corporate Governance, Indonesian Institute for Corporate Directorship (IICD) (2022), states the importance of GCG for companies, the value of a company can be said to be good if the corporate governance is good. Good corporate management can increase profits and reduce the risk of company losses in the future. The following is a description of the ASEAN Corporate Governance Scorecard (ACGS) value in the cement sub-sector:

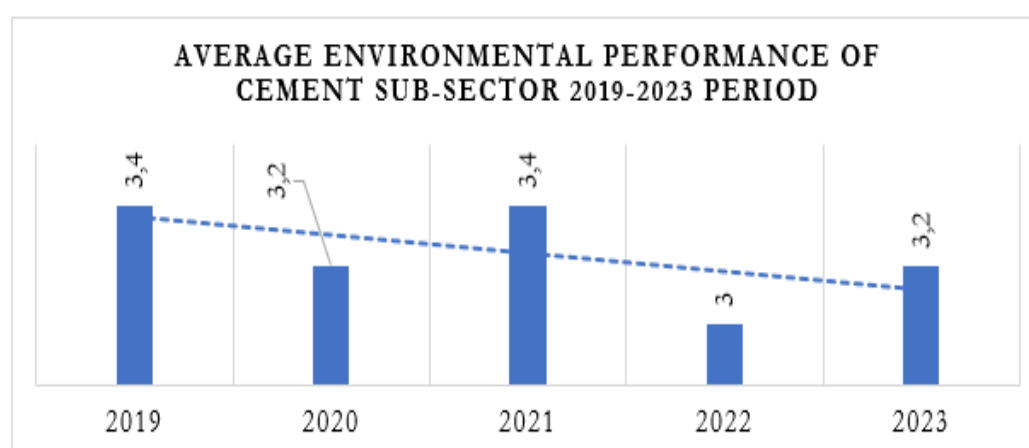
Graph 3. Average ASEAN Corporate Governance Scorecard of Cement Sub-Sector 2019-2023 Period



Source: Annual Report of Cement Sub Sector 2019-2023 (Processed Data)

Partially, for each company, there is an unstable GCG achievement and it is still below 90%, this is because the company has not been able to meet the international standards of GCG practices set by the Organization for Economic Cooperation and Development (OECD), Good Corporate Governance has an important role in corporate governance. Several previous researchers such as Manurung (2022), and Permatasari & Musmini, (2023) explained that Good Corporate Governance has an effect on Firm Value, while according to Muasiri & Sulistyowati (2021), Ekasari & Noegroho, (2020) and Darniaty et al., (2023) explained that GCG has no effect on Firm Value. Environmental Performance refers to the way a company influences and interacts with the surrounding natural environment in carrying out its operational activities. Indonesia through the Ministry of Environment and Forestry has formed the PROPER award which has been carried out as an annual assessment of the extent to which companies comply with environmental standards. The following is the average Environmental Performance value of the Cement Sub-Sector:

Graph 4. Average Environmental Performance of Cement Sub-Sector 2019-2023 Period



Source: Annual Report of Cement Sub Sector 2019-2023 (Processed Data)

The average PROPER assessment of all Cement Sub-Sector companies shows a decline. This is due to the reduction in emissions that has not or has not been carried out by the company. Based on the results of previous studies conducted by Mawaddah, Junaidi, & Wahyudi (2022), Ani, (2021), Adyaksana et al. (2024) and Azzahra, (2022) explained that Environmental Performance has a significant influence on Firm Value, while according Putri & Susanti, (2023), Kelly & Henny (2023), and Ningtias et al., (2023) explained that Environmental Performance does not have a significant influence on Firm Value.

Previous studies conducted by researchers have provided different (inconsistent) results. This study is important to do because it can describe the welfare of the company's owners. A company is said to have good value if its company performance is good. The difference between this study and previous studies is in the object of the study, namely the Cement Sub-Sector Company, because the Cement Sub-Sector company has a fairly important role in the infrastructure of the Indonesian state, and in the research period, namely the 2019-2023 period. The selection of the

year was not without reason but was chosen because it could represent the current state of the company. The purpose of this research is intended as an effort to collect, study and analyze so that the influence of IC, GCG, and Environmental Performance on firm value can be known.

METHOD

The methodological framework of this study encompasses a descriptive-verification approach utilizing quantitative paradigm. As articulated by Sugiyono, (2021), the quantitative methodology is often referred to as a traditional approach, given its prolonged utilization which has rendered it a customary practice within the realm of research. The analytical technique for data in this quantitative investigation employs both descriptive and verification statistics. According to Sugiyono (2021), the term population denotes all elements that will serve as the basis for generalization. Population identified in this inquiry consists of the cement industry during of 2019-2023. As O. P. Putra, (2024), a sample represents a subset of the quantity and characteristics inherent within the population, and the samples extracted from the population must be adequately representative. The sampling methodology use nonprobability, characterized by purposive sampling strategy. In accordance with established sampling criteria, it was determined that from a total population of seven cement industry companies, only five entities were documented as having published annual reports within the 2019-2023.

Dependent variable in the present research is identified as firm value, whereas the independent variables that induce variations in this investigation include IC, GCG, and environmental performance. Process data analysis commences with the computation of IC, GCG, environmental performance, and firm value within cement industry companies for the temporal scope of 2019 to 2023. As articulated by Adyaksana et al. (2024), Firm Value is conceptualized as a metric that reflects the state of an enterprise, encompassing the quality of the company and the level of investor interest therein. In this investigation, the assessment of the company's value is conducted utilizing PBV as a proxy. PBV ratio serves as a prevalent analytical tool for evaluating a company's worth by juxtaposing the year end closing stock price against the book value of the equity (Morine et al., 2022). IC is characterized as the amalgamation of knowledge and information employed in professional endeavors to generate value within an organization or enterprise (Lukman & Kurniawan, 2020). The measurement of IC is executed through the value added IC coefficient (VAICTTM).

VAICTTM was conceived by pulic as a metric for evaluating the IC performance of an enterprise. Effective corporate governance is regarded as a fundamental determinant of an organization's capability to enhance the efficiency and efficacy of business expansion, bolster investor confidence, and safeguard investor interests. The assessment of GCG within this research is predicated upon the principles established by OECD. Environmental performance signifies an organization's accomplishment in demonstrating a commitment to the surrounding ecosystem in order to mitigate pollution and environmental degradation attributable to its operational processes. Enterprises that accurately disclose environmental performance data in their annual reports are likely to elicit favorable reactions from investors, indicating that the organization has met its obligations, thereby potentially augmenting the enterprise's valuation (Adyaksana et al., 2024).

Environmental performance embodies a corporation's initiatives aimed at fostering a healthy environment and ensuring the sustainability of ecological systems.

The PROPER serves as a pivotal tool employed by the Ministry of Environment to evaluate and rank the adherence of corporations to their environmental performance obligations. The reliability of the PROPER rating is noteworthy and can be regarded as a credible measure of a corporation's environmental performance, as it aligns with the standards set forth by ISO 14001 (Ani, 2021). In order to derive an effective regression model that is devoid of deviations, it is imperative to initially perform a classical assumption test.

RESULT AND DISCUSSION

The analysis of the cement industry, evaluated through the framework of IC, indicates a reduction in value, with a recorded minimum of -10.69, a maximum of 22.35, and an average value of 3.0152. The dimension of GCG displays a range of variability in its values, manifesting a minimum of 78.40, a maximum of 96.08, and an average of 88.8488. Regarding environmental performance, this dimension also reveals a range of variability, with a minimum value of 2.00, a maximum value of 4.00, and a mean value of 3.2400. In contrast, the firm value reveals a downward trajectory, characterized by a minimum value of -4.11, a maximum value of 6.06, and an average of 1.3588. The results of the classical assumption tests, particularly the normality test executed through the Kolmogorov-Smirnov procedure, yield an Asymp.sig value (2-tailed) of 0.112, which surpasses the critical threshold of 0.05; consequently, it can be deduced that the residual values conform to a normal distribution.

The multicollinearity assessment, implemented through the examination of variance inflation factors (VIF) and tolerance values, reveals that the tolerance value exceeds 0.10 ($0.979 > 0.10$) and the VIF value remains below 10 ($1.021 < 10$). Furthermore, GCG demonstrates a tolerance value exceeding 0.10 ($0.965 > 0.10$) and a VIF value below 10 ($1.036 < 10$), while environmental performance displays a tolerance value that also exceeds 0.10 ($0.974 > 0.10$) and a VIF value beneath 10 ($1.027 < 10$). Consequently, it can be deduced that the regression model is devoid of multicollinearity issues. The heteroscedasticity assessment, utilizing the glejser test, indicates that the IC variable possesses a significant value of 0.913, the GCG variable a significant value of 0.613, and the environmental performance variable a significant value of 0.134. These findings elucidate that the variables of IC, GCG, and environmental performance exhibit significant values exceeding 0.05. Therefore, it can be concluded that the regression model does not exhibit heteroscedasticity. The autocorrelation evaluation, employing the durbin-watson test, reveals a durbin watson value of 1.770, a du value of 1.6540, a 4 - du value of 2.346, and a DW value of 1.770, indicating that ($1.6540 < 1.770 < 2.346$). Hence, it can be concluded that this study lacks indications of positive or negative autocorrelation.

The analytical methodology applied in this study is multiple linear regression. This form of analysis is employed to ascertain the impact of independent variables, specifically IC, GCG, and environmental performance, on the dependent variable, which is firm value. The subsequent section presents the findings of the multiple linear regression coefficient:

Table 1. Multiple Linear Regression Analysis

		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.291	3.485		.083	.934
	Intellectual Capital	.223	.037	.726	5.953	.000
	Good Corporate Governance	-.037	.039	-.116	-.941	.357
	Environmental Performance	1.127	.306	.451	3.687	.001

a. Dependent Variable: Firm Value

Source: SPSS 26 Output Results, Researcher Data Processing (2024)

According to table 1, the outcomes of the multiple linear regression analysis equations as articulated below:

$$Y = 0.291 + 0.223X_1 - 0.037X_2 + 1.127X_3 + e$$

The linear equation can be elucidated such that, when the constant α assumes the value of 0.291, it implies that, in the absence of the variables IC, GCG, and environmental performance, the value of the firm value variable remains invariant at 0.291. The regression coefficient pertaining to IC is quantified at 0.223, which indicates that IC possesses a positive regression coefficient direction; thus, an incremental increase of one unit in IC will result in an augmentation of firm value by 0.223. Conversely, the regression coefficient associated with GCG is -0.037, denoting that GCG exhibits a negative regression coefficient direction, whereby an increase of one unit in GCG will lead to a decrement in firm value by -0.037. Furthermore, the regression coefficient for environmental performance is 1.127, illustrating that environmental performance has a positive regression coefficient direction, suggesting that an increase of one unit in environmental performance will elevate firm value by 1.127.

The multiple correlation coefficient assessment employs the product-moment correlation to ascertain both the direction and magnitude of the relationship between the two independent variables. The subsequent findings present the results of the multiple linear correlation analysis:

Table 2. Correlation Coefficient Test

Model Summary					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change
1	.833 ^a	.694	.650	.98065	.694

a. Predictors: (Constant), Environmental Performance, Intellectual Capital, Good Corporate Governance

Source: SPSS 26 Output Results, Researcher Data Processing (2024)

According to Table 2, the outcomes of the multiple linear correlation assessment reveal an R value of 0.833, indicating that this value lies within the interval of 0.80 to 1, which signifies a remarkably robust relationship among the variables IC, GCG, and environmental performance in relation to firm value.

The coefficient of determination serves to evaluate the extent to which the model can elucidate the variation of the dependent variable. The following are the findings from the determination analysis conducted in this research:

Table 3. Illustrates the Determination Coefficient of IC

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.702 ^a	.493	.471	1.20591

a. Predictors: (Constant), Intellectual Capital

Source: SPSS 26 Output Results, Researcher Data Processing (2024)

As indicated in Table 3, the determination coefficient for IC, referenced by the R-Square value, is calculated to be 0.493 or 49.3%. This signifies that the independent variable IC accounts for 49.3% of the variation in the dependent variable firm value, whereas the residual 50.7% is attributable to other variables not considered in this study.

Table 4. Displays the Determination Coefficient Pertaining to GCG

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.141 ^a	.020	-.023	1.67696

a. Predictors: (Constant), Good Corporate Governance

Source: SPSS 26 Output Results, Researcher Data Processing (2024)

Based on the findings presented in table 4, the determination coefficient for GCG, as referenced by the R-Square value, is determined to be 0.020 or 2%. This indicates that the independent variable GCG is capable of explaining 2% of the variance in the dependent variable firm value, while the remaining 98% is influenced by other variables that were not examined in this study.

Table 5. Environmental Performance Determination Coefficient

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.372 ^a	.138	.101	1.57240

a. Predictors: (Constant), Environmental Performance

Source: SPSS 26 Output Results, Researcher Data Processing (2024)

According to table 5, the determination coefficient for environmental performance, with reference to the R-Square value, is established at 0.138 or 13.8%. This suggests that the independent variable environmental performance can elucidate 13.8% of the variation in the dependent variable firm value, while the remaining 86.2% is influenced by other variables not analyzed in the context of this study.

Table 6. Determination Coefficient of IC, GCG, and Environmental Performance

Model	Model Summary			Std. Error of the Estimate
	R	R Square	Adjusted R Square	
1	.833 ^a	.694	.650	.98065

a. Predictors: (Constant), Environmental Performance, Intellectual Capital, Good Corporate Governance

Source: SPSS 26 Output Results, Researcher Data Processing (2024)

Based on the data presented in table 6, the coefficient of determination, also referred to as the Adjusted R-Square value, for the variables of IC, GCG, and environmental performance is calculated to be 0.650, or 65%. This indicates that the independent variables of IC, GCG, and environmental performance collectively account for 65% of the variance in the dependent variable, Firm Value, while the remaining 35% is attributable to other variables that were not investigated in the context of this study.

A t-test was performed to assess whether each independent variable, namely IC, GCG, and environmental performance exerts a partial effect on the dependent variable, firm value. The calculations yielded a t-table value of 2.079. According to the results outlined in Table 1, the partial hypothesis testing for IC yielded a t-count value of 5.953, which exceeds the t-table value of 2.079. Thus, it can be inferred that IC significantly influences firm value. Conversely, the partial hypothesis testing for GCG resulted in a t-count value of -0.941, or an absolute value of 0.941, which is less than the t-table value of 2.079. Therefore, it can be concluded that GCG does not significantly affect Firm Value. Additionally, the partial hypothesis testing for environmental performance produced a t-count value of 3.687, which surpasses the t-table value of 2.079. Accordingly, it can be deduced that environmental performance has a significant impact on firm value within cement industry companies for the period of 2019-2023.

Simultaneous testing was conducted to ascertain whether the collective independent variables incorporated in the model exert an overall effect on the dependent variable. The ensuing results of the F-test in this investigation are as follows:

Tabel 7. Results of F Test

Model		ANOVA ^a				
		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	45.798	3	15.266	15.874	.000 ^b
	Residual	20.195	21	.962		
	Total	65.993	24			

a. Dependent Variable: Firm Value

b. Predictors: (Constant), Environmental Performance, Intellectual Capital, Good Corporate Governance

Source: SPSS 26 Output Results, Researcher Data Processing (2024)

As indicated in table 7, the F-test results yielded a value of 15.874. This value can be derived from the F distribution table at a significance level of 0.05 using the formula $= (k-1) = (4-1) = 3$; and $= (n-k) = (25-4) = 21$; yielding a critical value of 3.07. Consequently, based on the criteria for

hypothesis testing, it can be concluded that the independent variables collectively exert an influence on the dependent variable, signifying that IC, GCG, and environmental performance collectively impact firm value in cement industry companies for the period of 2019-2023.

Based on the test results, it was found that there was an influence of IC on firm value in cement industry companies for the period 2019-2023, IC (IC) plays an important role in increasing company value, especially in cement industry companies. Skilled and competent human capital (HC) can increase productivity and innovation, when the company has a quality workforce, this can improve performance, customer satisfaction, and ultimately increase firm value. Good structural capital (SC) allows companies to operate more efficiently and responsively to market changes, when the company has a strong system, this can increase competitiveness and sustainability, thereby increasing the value of the company.

Customer Capital (CR) through good relationships can create customer loyalty, open up new business opportunities, and improve the company's reputation, when the company has a strong network, this can increase revenue and market value. This research is in line with and supported by research conducted by Ardiantini *et al.* (2020), Shulthoni & Rizkya, (2023), and Lukman & Kurniawan (2020) which states that the IC variable has an effect on firm value. However, this research is not in line with the research conducted by Nurhidayati & Bone (2022), and Utami (2020) found that IC has no effect on firm value.

It was found that there was no effect of GCG on firm value in cement industry companies for the 2019-2023 Period, GCG is proxied using the principles of the ASEAN Corporate Governance Scorecard (ACGS) this principle is designed to improve transparency, accountability, and corporate governance practices in ASEAN countries, there are several reasons why these indicators do not have a direct effect on firm value. The first is weak implementation, the principles of governance are adopted, their implementation is often inconsistent, without effective implementation, this indicator cannot produce the expected added value. Second, limited market perception, investors and the market may not always associate the implementation of good governance with increased firm value. If the market does not appreciate good governance, then its effect on firm value will be minimal.

Third, external factors, firm value is influenced by many external factors such as economic conditions, government policies, and industry competition, even with good governance practices, companies can be affected by these factors that are not directly related to governance. Fourth, limited focus, ACGS tends to focus on certain aspects of governance, such as transparency and accountability, but may pay less attention to other elements that are also important for company value, such as innovation and adaptability. Fifth, sector variability, various industrial sectors have different needs and challenges. ACGS indicators may not always be relevant or effective in all sectors, so their impact on company value varies. This research is in line with and supported by research conducted by Muasiri & Sulistyowati (2021), Ekasari & Noegroho (2020), and Darniaty *et al.* (2023) which states that the GCG variable does not affect firm value. However, this research is not in line with the research conducted by Manurung, (2022) and Permatasari & Musmini (2023) explains that GCG has an impact on firm value.

Based on the test results, it was found that there was an influence of environmental performance on firm value in cement industry the period 2019-2023. The PROPER Table assessment includes

several indicators that influence firm value. First, compliance with environmental regulations can prevent companies from fines, sanctions, or litigation, which in turn protects Firm Value and reputation in the market. Second, waste management can reduce operational costs and also improve the company's image in the eyes of consumers and stakeholders, which can increase loyalty and sales. Third, resource efficiency can reduce costs and increase profitability. In addition, companies that are committed to energy efficiency often attract investors who care about sustainability.

Fourth, environmentally friendly innovation and technology can create new products that are attractive to the market, increase competitiveness, and open up new opportunities for revenue. Fifth, community involvement and social responsibility influence firm value because active involvement in social responsibility can improve the company's reputation, strengthen relationships with the community, and attract consumers who are more concerned about social issues. Sixth, reporting and transparency increase stakeholder trust, including investors and customers, which can support firm value. This research is in line with and supported by research conducted by Mawaddah, Junaidi, & Wahyudi (2022), Ani (2021), Adyaksana *et al.* (2024), and Azzahra (2022) stated that the Environmental Performance variable has an effect on firm value. However, this study is not in line with the research conducted by Putri & Susanti, (2023), Kelly & Henny, (2023) and Ningtias *et al.* (2023) explained that environmental performance does not have a significant influence on firm value.

Based on the test results, it was found that IC, GCG, and environmental performance have a simultaneous effect on firm value in cement industry companies for the 2019-2023. These three elements are interrelated and can strengthen each other in creating added value. IC through innovation and efficiency, helps companies to remain competitive in a tight market. Meanwhile, good GCG provides trust to investors and stakeholders, creates the transparency needed to attract investment, and positive environmental performance shows the company's commitment to sustainability and social responsibility, which are increasingly becoming major considerations for modern investors. Cement industry companies must integrate these three elements into their business strategies. By optimizing IC to improve operational performance, implementing GCG principles to build trust, and focusing on environmental performance to meet environmental demands, companies can significantly increase their market value. The combination of these three aspects will not only increase investor attractiveness, but also strengthen the company's reputation in the long term, allowing them to adapt quickly to market changes and existing regulations.

CONCLUSION

Based on the aforementioned discourse and the outcomes of the assessments concerning the impact of IC, GCG, and environmental performance on firm value in the cement industry on 2019 to 2023, it can be inferred that the IC variable exhibits a diminishing value with a minimum of -10.69, a maximum of 22.35, and an average of 3.0152. GCG displays a variable nature with a minimum of 78.40, a maximum of 96.08, and an average of 88.8488. Environmental performance also presents a variable nature, characterized by a minimum value of 2.00, a maximum value of 4.00, and a mean of 3.2400. Firm value demonstrates a decreasing trend with a minimum value of

-4.11, a maximum value of 6.06, and a mean of 1.3588. According to the findings from the determination test, it is revealed that the IC variable has a value of 0.493, indicating that this variable contributes to firm value by 0.493 or 49.3%.

The results of partial hypothesis testing reveal that IC significantly influences firm value within cement industry. The GCG variable has a contribution of 0.020, indicating that it accounts for 2% of the variance in firm value. However, partial hypothesis testing indicates that GCG does not significantly influence firm value in cement industry. In contrast, the environmental performance variable has a contribution of 0.138, suggesting that it accounts for 13.8% of the variance in firm value. Thus, partial hypothesis testing demonstrates that environmental performance significantly affects firm value in cement industry. Furthermore, the variables IC, GCG, and environmental performance with reference to the Adjusted R-Square value of 0.650, meaning that the variables IC, GCG, and environmental performance contribute to firm value by 0.650 or 65%.

Simultaneous hypothesis testing shows that the variables IC, GCG, and environmental performance have an effect on firm value in cement industry. Based on the results of the research that has been carried out and still has limitations that need to be further developed, the researcher provides suggestions that are expected to be useful input for related parties, namely for investors who will invest in the company, they should first analyze the financial report containing the company's financial performance from year to year, meanwhile, for further researchers, if similar research is to be conducted, it is better to increase the number of research samples, increase the research period, develop other variables in order to obtain a higher level of accuracy in the research results.

Based on the results of the research that has been conducted and still has limitations that need to be further developed, the researcher provides suggestions for investors who will invest in the company should first analyze the financial report containing the company's financial performance from year to year. If a similar research is to be conducted, the researcher should increase the number of research samples, increase the research period, develop other variables in order to obtain better results. In addition, it is recommended to add other variables that have not been studied in order to form a better research model.

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